

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Chesapeake Operating, Inc. 30-015-40126,
whose address is P.O. Box 18496 Oklahoma City, OK 73154,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
September 1, Yr 2012, for the following described tank battery (or LACT):
Name of Lease PLU P C 16 24 30 STATE 1H Name of Pool WILDCAT; BONE SPRING
Location of Battery: Unit Letter O Section 16 Township 24 S Range 30 E
Number of wells producing into battery 1
- B. Based upon oil production of 0 barrels per day, the estimated * volume
of gas to be flared is 1000 MCF; Value \$ 3080 per day.
- C. Name and location of nearest gas gathering facility:
3 1/2 MILES TO EPCO
- D. Distance 3.5 miles Estimated cost of connection \$1.5 MM
- E. This exception is requested for the following reasons: _____
Waiting on construction of pipeline facility. There are no public dwellings nearby and there is NO H2S in
the gas stream on this well.
API # for well: 30-015-40126; PLU PIERCE CANYON 16 24 30 STATE 1H

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature [Signature]

Printed Name
& Title Bryan Arrant Regulatory Specialist II

E-mail Address bryan.arrant@chk.com

Date 07/23/2012 Telephone No. (405)935-3782

OIL CONSERVATION DIVISION

Approved Until Sept 1 - 2012

By LR Dade

Title Dist II Supervisor

Date July 24th 2012

SEE COA'S on 2nd Page

* Gas-Oil ratio test may be required to verify estimated gas volume.

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 SOUTH FIRST STREET
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

1. Venting gas is absolutely not allowed.
2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
3. Flared volumes of gas are to be metered & reported.
4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
5. Flares WILL NOT be left unattended.
6. No flaring operations to be conducted during red-flag days.
<http://www.gacc.nifc.gov/swcc> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
7. Follow safe practices for flaring guidelines.
8. Permit may be rescinded at any time by NMOCD.
9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.

Your initials here *LRDade*

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